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SUBJECT: BAGHDAD PROVINCIAL COUNCIL CONNECTS NATIONAL AND PROVINCIAL PRIORITIES

¶1. (U) This is a PRT Baghdad reporting cable.

¶2. (SBU) SUMMARY. The Baghdad Provincial Council passed a major milestone October 10 when it completed a Provincial Development Strategy and presented it to the Ministry of Planning. Provincial officials describe the Provincial Development Strategy as the single-most important mechanism to connect provincial and national priorities. The plan outlines more than 950 proposed projects for Baghdad province between 2008 and 2012, which will require an estimated total investment of over 6.5 Billion USD. As the Provincial Council puts together its budget in the coming years, it will draw on this strategy to explain and justify provincial funding priorities in its budget submissions to the Ministry of Finance. Moreover, the Ministry of Planning must now evaluate the Baghdad strategy in light of other provincial development strategies, and place it in the broader context of the Ministry's own National Development Strategy. This process will enable provincial and national leaders to compare priorities, coordinate joint projects, and 'de-conflict' existing ventures. Significantly, the Baghdad Provincial Council created the Provincial Development Strategy through an extensive and unprecedented consultative process, and under very difficult security and political conditions. The USAID Local Governance Program, with support from the Baghdad PRT, implemented an intensive program of capacity development and facilitation to assist the Provincial Council throughout the planning process. The Local Governance Program will continue to provide technical assistance and capacity building support during the upcoming implementation, monitoring and evaluation phases. End Summary.

Connecting Provincial and National Priorities

¶3. (SBU) The completion of a Provincial Development Strategy (PDS) for Baghdad marks the culmination of over one year's worth of steady and progressive work by the Provincial Council's Strategic Planning Committee under very difficult security and political conditions. Provincial officials describe the PDS as the single-most important mechanism to connect provincial to national priorities. As the Provincial Council (PC) puts together its budget in the coming years, it will draw on the PDS to explain and justify provincial funding priorities in its budget submissions to the Ministry of Finance. Moreover, the Ministry of Planning (MoP) must now evaluate the Baghdad PDS in light of other provincial development strategies, and place it in the context of the MoP's own National Development Strategy. This process will enable provincial and national leaders to compare priorities, coordinate joint projects, and 'de-conflict' existing ventures.

¶4. (SBU) The PDS is the product of an integrated development planning process and is based on a long-term view of Baghdad

province's future needs. Drawing on the Ministry of Planning's National Development Strategy (NDS) 2007-2010, MoP officials primarily initiated the PDS process in order to provide provincial stakeholders with a framework to prioritize, identify and develop projects within their provinces. Provincial strategic plans spell out sectoral priorities intended to guide provincial departments as they address citizens' needs. Baghdad's PDS outlines more than 950 proposed projects for Baghdad province between 2008 and 2012, which will require an estimated total investment of over 6.5 Billion USD.

¶15. (U) Since September 2006, the USAID Local Governance Program (LGP) has facilitated five PDS regional conferences throughout Iraq to guide the PDS process. These conferences focused on five priority areas of governmental intervention: essential service and social service delivery; economic development; employment creation; social and human development; justice and crime prevention; and efficient public administration and good governance.

Consultation with Officials at the National Level

¶16. (SBU) The Provincial Council led an unprecedented consultative process in drafting the PDS. PC members met with elected representatives, government officials, private sector organizations and business leaders from the national, provincial, district and even neighborhood levels. The Chairman of the PC Strategic Planning Committee (SPC), Mazen Makkiyah (former Dawa Party member), told PRToff October 22 that he personally consulted about the PDS with Speaker of the Council of Representatives (CoR) Mahmoud Mashadani, a

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Sunni member of the Iraqi Islamic Party. (NOTE: Makkiyah mentioned only Mashadani when asked by PRToff which CoR members he and the SPC consulted. END NOTE.) Makkiyah said that the SPC also sought input from Adil Zahra Al-Sadi, an advisor to the Prime Minister for essential services, and from Engineer Riyad Filahi, Co-Director of the Joint Planning Commission (JPC), which is led by the office of Deputy Prime Minister Salam Al-Zubai. Crucially, according to several PC members and employees of the USAID Local Governance Program, the SPC also sought input from Directors General in 18 ministries.

Connecting Provincial and Local Priorities

¶17. (SBU) At the provincial and local level, SPC planners consulted officials in the Baghdad Amanat (City Hall), staff members in the Governor's Office, and members of the District and Neighborhood Councils. When planners realized that they lacked knowledge in a particular field, they generally sought input from Baghdad's experts. They consulted with professional organizations such as the Baghdad Chamber of Commerce and the Iraqi Businesswomen's Association. They spoke to business owners in construction and contracting, agriculture, media, and banking. To gather input from civil society, planners spoke to representatives of institutions as diverse as the Iraqi Institute for Economic Reform and the Beekeepers Association, in addition to organizations focused on women, education, and youth. This intensive engagement process helped planners to identify which problems in Baghdad currently prevent effective essential service delivery and private sector development.

Developing the Ability to Plan

¶18. (SBU) During this planning process, the PC recognized a severe lack of available data necessary for planning

purposes. To address this information deficit, members of the SPC created three new databases to provide the necessary information required to carry out their work. SPC members then reached out to district and neighborhood councils to conduct regular brainstorming meetings with their respective planning committees. Through these interactions, the SPC considered existing projects being funded and implemented in the districts through the Provincial Reconstruction Development Committee, MND-B CERP projects, and other donor initiatives in the province.

¶9. (SBU) The SPC also screened all projects submitted by district and neighborhood councils to create cost estimates that factor in potential security, supply and transportation problems. They sought thereby to create realistic project tables and the basis for sound budgetary planning.

¶10. (SBU) The USAID Local Governance Program, with support from the Baghdad PRT, provided targeted technical assistance and capacity building to the SPC by facilitating stakeholder's conferences and workshops; providing training based on modern strategic development theory and SWOT Analysis (a strategic planning tool used to evaluate the strengths, weaknesses, opportunities and threats); and sharing case studies, lessons learned and best practices from neighboring countries such as Jordan, Lebanon, Saudi Arabia and United Arab Emirates.

Next Phases in the PDS Process

¶11. (SBU) The Ministry of Planning and Development will provide comments on the PDS to the Provincial Council in the coming weeks. This feedback will be used by the PC to incorporate the PDS into the National Development Strategy, as well as future provincial and national annual budgets. During this same period, the PC will finalize the development of the PDS implementation plan, and design and execute a monitoring and oversight function within the PC.

Comment

¶12. (SBU) By completing a Provincial Development Strategy through a broadly consultative process, provincial officials in Baghdad demonstrated a growing capacity to govern, and at the same time improved their ability to do so. Provincial Council members also took an important step toward preparing for the eventual withdrawal of USG project money by taking

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more responsibility for investing in the future development of Baghdad. If successfully implemented, the PDS may contribute to creating an attractive business climate that could spur private sector development. Notably, the plan includes an important focus on maintenance which may help to make it more sustainable. End Comment.

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